

Brashear.

SENATOR BRASHEAR: Mr. Chairman, members of the body, I rise in opposition to the Wesely amendment 3732. While we are talking here again about something that Senator Wesely wants very much to talk about, we are not talking about LB 829; we are not talking about 1368, that's the Quality Jobs Act and our attempt to make a technical modification in that act. Here we're going back to LB 775 and we're misconstruing it. I'm certain that Senator Wesely, if he studied it, would not mislead. But you know, to use the terminology that people are using 775 to escape taxation, or corporations are escaping taxation, excuse me, is to...is to misrepresent federal tax law. What has, in fact, happened under LB 775 is that federal tax law coupled with Nebraska tax law in traditional legal forms of organizing generally smaller businesses have resulted in corporations passing credits as well as income to shareholders in an S, subchapter S corporation, to partners in a partnership, to partners in a limited partnership, and likewise. These are legal structures. LB 775 didn't put that pass-through methodology in place. LB 775 didn't create limited liability companies or subchapter S corporations. And all of this is, I assume, a well-meaning attempt to once again perpetrate the class warfare, all rich are bad, all poor are good; to ignore the fact that it's free enterprise and capitalism that results in the creation of capital and money and profit and job and opportunity that pays taxes to government. And, of course, this is all an emotional debate to which we can react and then we can ignore the facts. Just briefly I'd like to have you look at the chart, it's on white paper, green and red in color. This chart is a hundred years of population drain. This chart isn't suggesting that it's absolutely an ironclad fact that LB 775 is creating for the first time a net migration in Nebraska, but the chart is suggesting we ought to look at the facts. We were doing fine back in the 1880s. But then for a hundred years we've been losing people and providing them no opportunity for employment. And then at about the time, surprise, surprise, that we aggressively entered the marketplace of the...

SENATOR LINDSAY: One minute.

SENATOR BRASHEAR: ...nation for economic development with LB 775, we turn the corner. Refer if you would, please, to the chart that begins what might have been. I've spoken on this